



COUNTY OF SAN LUIS OBISPO
DEPARTMENT OF PLANNING & BUILDING

HSG RFP
CARES ACT
05/01/2020

NOTICE OF REQUEST FOR PROPOSAL AND PUBLIC REVIEW AND
COMMENT PERIOD FOR PROPOSED MAJOR AMENDMENTS TO
THE 2015-2019 CONSOLIDATED PLAN, THE 2019 ACTION PLAN,
THE COMMUNITY PARTICIPATION PLAN AND PUBLIC REVIEW
AND COMMENT PERIOD

**NOTICE OF REQUEST FOR PROPOSALS AND PUBLIC REVIEW AND COMMENT PERIOD FOR
PROPOSED MAJOR AMENDMENTS TO THE 2015-2019 CONSOLIDATED PLAN, THE 2019 ACTION
PLAN, THE COMMUNITY PARTICIPATION PLAN AND PUBLIC REVIEW AND COMMENT PERIOD**

**REQUEST FOR PROPOSALS (RFP), MAJOR AMENDMENT TO THE 2015-2019 CONSOLIDATED PLAN, THE 2019 ACTION
PLAN, THE COMMUNITY PARTICIPATION PLAN AND PUBLIC REVIEW AND COMMENT PERIOD FOR THE URBAN
COUNTY OF SAN LUIS OBISPO UNDER THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT (CARES ACT)
FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG-CV) AND THE EMERGENCY SOLUTIONS GRANTS (ESG-
CV) PROGRAMS**

In response to the Coronavirus Pandemic (COVID-19) the U.S. Department of Housing and Urban Development (HUD) notified the County of San Luis Obispo on April 8, 2020 that it will receive an allocation of \$1,099,800 in Community Development Block Grant (CDBG-CV) and \$563,034 in Emergency Solutions Grant (ESG-CV) to be used **to prevent, prepare for, and respond to the coronavirus**. The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) authorized these allocations via, Public Law 116-136, which was signed by President Trump on March 27, 2020, to respond to the growing effects of COVID-19.

General Information on the CARES Act and Eligible CDBG-CV and ESG-CV activities

Most CDBG and ESG eligible activities remain eligible under the CDBG-CV and ESG-CV provided they address the **prevention of, preparation for, and response to the COVID-19 per the CARES Act**. Through the CARES Act, HUD issued a mega-waiver for grantees that will enable swift implementation of the grant programs that allows truncated public comment period (5-day comment period as opposed to the standard 30 days). Other program waivers are provided below.

Important Note: The Performance Period for these CDBG-CV and ESG-CV funds will begin March 1, 2020 to December 31, 2020. The County may consider an earlier reimbursement date if the proper documentation is provided.

Also, the County is seeking applicants for eligible activities from non-profit organizations or government entities that have a 1) DUNS number and an active registration in SAM (<https://sam.gov/SAM/>); 2) are able to provide audited financial statements, and 3) comply with all other CDBG-CV and ESG-CV regulations. See "Certifications" section for more information.

Application Deadline

WHEN: 5:00 P.M., Friday, May 15, 2020

WHERE: SS_HomelessGrants@co.slo.ca.us

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CDBG-CV Funds

The CDBG-CV (\$1,099,800) funds are to be used to prevent, prepare for, and respond to the coronavirus pandemic (COVID-19) for CDBG-eligible activities and clients. The CARES Act provides certain CDBG program flexibilities in response to the COVID-19 emergency, such as the **waiver to the 15% cap on the amount of grant funds that can be used for public services activities**. Other waivers provide that grantees (County), may use CDBG-CV grant funds to cover or reimburse costs to prevent, prepare for, and respond to coronavirus incurred by the County.

\$879,850 in CDBG-CV funds will be available for award as the County plans to retain the allowed 20% for administrative costs.

The County's allocation is the first \$2B from the \$5B total of CDBG-CV. The allocation to the County was based on the current CDBG formula as determined by the Secretary of HUD. The second and third allocation of the CARES Act funding may be distributed differently to the County, possibly based on immediate needs and the direction from HUD regarding eligible activities. The process that is outlined in this e-mail is only applicable to the first award of \$1,099,800 for COVID-19 related activities.

Proposals for CDBG-CV funds from interested agencies and organizations for a possible CDBG-CV award under a major amendment to the Consolidated Plan's Program Year 2019 Action Plan will be considered and, if accepted, made part of the County of San Luis Obispo's 2019 Annual Action Plan. The 2019 Annual Action Plan is the fifth and final plan made in connection with the Urban County's 2015-2019 Consolidated Plan for Housing and Community Development.

For an application to be considered for funding, the following qualifications must be met:

- The proposed activity must comply with application program regulations in meeting one of the national objectives of the CDBG Program – benefit to low- and moderate-income persons, aid in the prevention or elimination of slums or blight, meet a need having a particular urgency;
- The proposed activity must be listed as an “eligible” activity in the CDBG regulations; and
- The proposed activity must address a priority need under the 2015-2019 Consolidated Plan.

Applications that are deemed eligible for CDBG-CV funding will be evaluated by the **Interagency Review Committee**, comprised of city managers, or their designee, from the participating jurisdictions of the Urban County and County officials, including funding recommendations by the **Homeless Services Oversight Commission (HSOC)** who may consider other appropriate and reasonable homelessness related criteria during their review/assessment of funding requests based on, but not limited to, the following criteria:

- Geographic distribution of funds
- Benefit to low- and moderate-income persons
- Benefit to target population
- Activity need and justification
- Activity management
- Activity implementation
- Financial capacity and stability of organization

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- Application completeness
- Other criteria – cost reasonableness and effectiveness, prior experience with CDBG-related activities or other grant programs, any open/underway CDBG-funded projects from previous years, organizational strength (record-keeping methods, filing system, financial systems, existence of written procedures for financial management and personnel, relocation of existing residents when applicable), etc.

Additionally, specific to the COVID-19 outbreak, applications must be for activities/programs that prevent, prepare for and/or respond to COVID-19. The following activities are examples of potential, but not limited to, eligible activities for CDBG-CV funds:

- Construction of a facility for testing, diagnosis or treatment.
- Rehabilitation of a community facility to establish an infectious disease treatment clinic, e.g., a neighborhood/community center in a predominately low and moderate-income (LMA) area
- Acquisition/rehabilitation/construction of a group living facility designed to centralize patients undergoing treatment.
- Rehabilitation of a commercial building or closed school building to establish an infectious disease treatment clinic.
- Acquire and quickly rehabilitate (if necessary) a motel or hotel to expand capacity of hospitals to accommodate isolation of patients during recovery.
- Make interim improvements to private properties to enable an individual patient to remain quarantined on a temporary basis, such as minor home rehabilitations.
- Assistance to small businesses to retain jobs held by low-/moderate-income persons
- Provide technical assistance/grants/loans to establish, stabilize and expand microenterprises that provide medical, food delivery cleaning and other services to support home health and quarantine.
- Carry out job training to expand the pool of healthcare workers available to treat infectious disease.
- Provide testing, diagnosis or other services at a fixed or mobile location.
- Increase the capacity of targeted health services for infectious disease response within existing health facilities.
- Provide equipment, supplies and materials necessary to carry out a public service.
- Deliver meals on wheels to quarantined individuals.

Low- and Moderate-Income Guidelines: At least 51% of the funded activity participants or beneficiaries must meet the low- or moderate-income guidelines as determined by HUD for the San Luis Obispo-Paso Robles-Arroyo Grande, CA MSA Median Family Income (FMI) limits. The current income guidelines/limits are as follows:

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HUD Income Limits for the San Luis Obispo-Paso Robles- Arroyo Grande, CA MSA MFI = \$97,300

Income Category	1P HH	2P HH	3P HH	4P HH	5P HH	6P HH	7P HH	8P HH
Extremely Low-Income (30%)	\$20,400	\$23,300	\$26,200	\$29,100	\$31,450	\$35,160	\$39,640	\$44,120
Very Low-Income (50%)	\$33,950	\$38,800	\$43,650	\$48,500	\$52,400	\$56,300	\$60,150	\$64,050
Low-Income (80%)	\$54,350	\$62,100	\$69,850	\$77,600	\$83,850	\$90,050	\$96,250	\$102,450

Published by HUD, April 1, 2020: <https://www.huduser.gov/portal/datasets/il/il2020/2020summary.odn>

For examples please reference the Quick Guide to CDBG Eligible Activities to support Coronavirus and Other Infectious Disease Response:

<https://files.hudexchange.info/resources/documents/Quick-Guide-CDBG-Infectious-Disease-Response.pdf>

ESG-CV Funds

The ESG-CV (\$563,034) funds are to be used to prevent, prepare for, and respond to the coronavirus pandemic (COVID-19) among individuals and families who are homeless or receiving homeless assistance. The funds will also support additional homeless assistance and homelessness prevention activities to mitigate the impacts of COVID-19.

\$506,730 in ESG-CV funds will be available for award as the County plans to retain the allowed 10% for administrative costs.

The first ESG-CV allocation to the County, as part of the first \$1 billion release of funds, was based on HUD's FY 2020 formula allocation. In accordance with the CARES Act, HUD is developing a new formula for a second allocation of \$2.96 billion. The CARES Act requires HUD to distribute the second allocation within 90 days of enactment of the Act.

Eligible ESG-CV activities

The ESG-CV funds are to be used to prevent, prepare for, and respond to the coronavirus pandemic (COVID-19) among individuals and families who are experiencing homelessness or receiving homelessness assistance; and to support additional homelessness assistance and homeless prevention activities to mitigate the impact created by coronavirus. Eligible activities are:

- Emergency Shelter
- Homeless Prevention
- Street Outreach
- Rapid Rehousing
- Homeless Management Information System (HMIS) (24 CFR 576.100)

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CARES Act Waivers to the ESG-CV Program

As a result of the CARES Act and the urgent nature of the current COVID-19 emergency, HUD has waived or altered certain ESG requirements. As a result, the following changes will apply to ESG-CV funds:

- **Emergency Shelter and Street Outreach Spending Caps**
The funds are not subject to the normal ESG spending cap on emergency shelter and outreach activities under 24 CFR 576.100(b)(1)
- **Homeless Prevention Assistance Income Limitation**
The funds may be used to provide homelessness prevention assistance (as authorized under 24 CFR 576.103 or subsequent HUD notices) to any individual or family who does not have income higher than HUD's Very Low-Income Limit for the area and meets the criteria in paragraphs (1)(ii) and (1)(iii) of the "at risk of homelessness" definition in 24 CFR 576.3.
- **Match Requirements**
There are no matching requirements for the ESG-CV funds.
- **Expenditure Timeline**
The funds may be used to cover or reimburse allowable costs incurred before the award of funding (including prior to the signing of the CARES Act) to prevent, prepare for, and respond to COVID-19.

ESG Regulations

These ESG-CV funds are a direct entitlement allocation from HUD. It is encouraged you read and become familiar with the regulations and requirements prior to an application submittal. Please consult HUD Exchange website for ESG/ESG-CV related guidance at:

- Emergency Solutions Grant Program: <https://www.hudexchange.info/programs/esg/>
- Code of Federal Regulations 24 CFR Part 576: <https://www.ecfr.gov/cgi-bin/text-idx?c=ecfr;sid=dc4c2f93cdadf08974315fa2bfdf4cec;rgn=div5;view=text;node=24%3A3.1.1.3.8;idno=24;cc=ecfr>

For an ESG Program Components Quick Reference see:

- <https://files.hudexchange.info/resources/documents/ESG-Program-Components-Quick-Reference.pdf>

2019 CDBG-CV APPLICATION

MAJOR AMENDMENT PROCESS TO THE 2015-2019 and 2019 ACTION PLAN

The award of CDBG-CV and ESG-CV funds to the County of San Luis Obispo triggers a major amendment to the 2015 – 2019 Consolidated Plan and to the 2019 Action Plan, collectively referred to as the Consolidated Plan, or Con Plan, as required by the Community Participation Plan.

Major amendments to the Con Plan require a review and comment period and a public hearing for approval by the County Board of Supervisors. The major amendment to the Con Plan discusses how the County will implement the CARES Act by including a list of draft programs and projects recommended for funding under the CARES Act. It will identify the funding awards and award recipients, program and project descriptions, goals and measurable accomplishments, such as persons served, to meet the local needs.

The County will prepare the amended Con Plans for submittal to HUD in June 2020 for their approval.

AMENDMENT TO THE CITIZEN PARTICIPATION PLAN

Streamline the Consolidated Plan, Annual Action Plan and Major Amendment Process: The County's Community Participation Plan (CPP) describes the efforts that the County will take to encourage its residents to participate in developing the Consolidated Plan and annual Action Plans. It also provides requirements for public process when a "major" amendment to the Annual Action Plan is proposed. The CARES Act award of CDBG-CV and ESG-CV funds constitutes a major amendment under the CPP.

However, due to COVID-19, HUD issued guidance that waives the CPP requirements for entitlement recipients, provided that (1) no fewer than five days are provided for public comment and that (2) reasonable notice and the opportunity to comment is provided.

In addition, in-person public hearings are not required. The County may meet the public hearing requirements with virtual public hearings if health authorities recommend social distancing and limited public gatherings and if virtual public hearings provide reasonable notification and access for the public, provide timely responses from local officials to public concerns, suggestions, and questions, and the public has access to the local officials' responses.

To address the COVID-19 event, and in anticipation of future HUD allocations under a federally declared national or local emergency by the President of the United States, the County proposes to amend its CPP to include streamlined emergency provisions as allowed by the CARES Act, but also automatically incorporate such provisions as allowed by a future declaration to establish an expedited procedures to draft, propose, or substantially amend the Con Plan.

PUBLIC REVIEW AND COMMENT PERIOD AND BOARD OF SUPERVISORS APPROVAL:

The County of San Luis Obispo Department of Planning and Building invites public comments on the major amendment of the Con Plan (2019 Action Plan) to include the CDBG-CV and ESG-CV funding. In consideration of the COVID-19 pandemic, the County established an abbreviated notice and application period for CDBG-CV and ESG-CV funding as allowed by the CARES Act and HUD.

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Timeline

RFP issued:	Friday, May 1, 2020
Applications due:	Friday, May 15, 2020, 5:00 P.M.
Technical Review (staff level):	Tuesday, May 19, 2020
Ad Hoc Review Committee:	Wednesday, May 20, 2020
CDBG-CV Inter-agency Review Committee:	Thursday, May 21, 2020
Prepare Recommendations (HSOC)	Friday, May 22, 2020
HSOC review and approval	Friday, May 29, 2020
Release Draft Funding Recommendations	Friday, May 29, 2020
Start of 5-day public review and comment period:	May 29 – June 5, 2020
Prepare and Finalize Board package	May 25 – June 8, 2020
Board of Supervisors hearing	Tuesday, June 16, 2020

If your organization anticipates an increase in services directly related to the COVID-19 outbreak, or has a new proposal for directly addressing increased community need related to the COVID-19 outbreak, please submit this application to the County Planning and Building Department via e-mail no later than **5:00 P.M., on Friday, May 15, 2020**. The application should highlight how the need for services has increased directly because of the COVID-19 pandemic, or detail how a new program/activity is meeting the needs created by the current health crisis.

The County's response to the CARES Act streamlined procedures will provide at least five days of public notice and a reasonable opportunity to comment. The five (5) business day public comment period will begin on May 29, 2020 and concludes June 5, 2020.

APPLICATIONS:

Any individual, group or organization wishing to apply for CDBG-CV or ESG-CV funding must apply to the County, using the official application available May 1, 2020. To obtain a CDBG-CV or an ESG-CV application, visit <http://www.slocounty.ca.gov/Departments/Planning-Building/Housing/Updates,-Meetings,-Resources.aspx>

Applications and comments can be sent to Tony Navarro, Planner III, Department of Planning and Building, 976 Osos Street, Room 300, San Luis Obispo, CA. 93408, a **SS_HomelessGrants@co.slo.ca.us**. The County will only accept emailed applications until **5:00 P.M., Friday, May 15, 2020**.

The following project selection criteria will be used to evaluate the project proposals:

1. Consistency with the CARES Act and regulations and laws under the federal CDBG and ESG programs to prevent, prepare for, and respond to the coronavirus.
2. Community support (for example, support from a City Council or the Homeless Services Oversight Council)
3. Addresses serious and immediate community needs to address the COVID-19 pandemic through the benefit to low- and moderate-income persons and households
4. Cost effectiveness of federal funds requested and leveraging of other funding sources

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5. Non-profit organizations or governmental agencies with experience and knowledge regarding the CDBG and ESG programs
6. All applicants must have a DUNS number and be registered at <https://sam.gov/SAM/> at the time of APPLICATION SUBMISSION so a search can be conducted regarding debarment from receiving federal funds. There is no cost for registration. The entity's legal name, address, and DUNS number must match the information provided on the application for funding.

****Please note that decreases in funding/fundraising from other sources are not considered to be eligible reasons for the allocation of CDBG-CV and ESG-CV funding. Applicants must show a direct increase in service need because of the pandemic. Additionally, CDBG-CV applicants must verify that no other state/federal funding is available to meet these needs in order to avoid duplication. Finally, all proposals must comply with applicable CDBG and ESG regulations and potential subrecipient of funds must understand the CDBG-CV under the CARES Act requirements, programmatic requirements, and the applicant must have the capacity to undertake and comply with all applicable federal regulations. ****